

**QUESTIONS AND ANSWERS  
CONCERNING  
REQUEST FOR PROPOSALS  
TO SERVE AS SPECIAL ASSISTANT BOND COUNSEL  
TO THE OFFICE OF THE ATTORNEY GENERAL AND  
THE MARYLAND CLEAN ENERGY CENTER**

- 1. *What firm or firms currently serve as bond counsel to the Office of the Attorney General (OAG) and the Maryland Clean Energy Center (MCEC)?***

McGuireWoods LLP

- 2. *What is the hourly rate or rates that have been paid to each firm during the course of the most recent contract with OAG and MCEC for attorneys and for para-professionals?***

The current blended hourly rates under the contract are: Attorneys: \$375 per hours; Para-professionals: \$125 per hour.

- 3. *What were the total fees paid to each current bond counsel under its current contract with OAG and MCEC over the entire term of the engagement?***

Over the five-year term of the current bond counsel contract, total fees paid were \$197,500.00.

- 4. *What were the fees paid for each bond issue under the current contract?***

Fees paid per bond issue were: Transaction #1: \$75,000.00; Transaction #2: \$85,000.00; and Transaction #3: \$37,500.00.

- 5. *What were the annual fees paid for work not related to a particular bond issue?***

There were no fees paid which were not related to a closed bond issue.

- 6. *Does the current bond counsel contract allow for annual adjustments to rates charged by attorneys and para-professionals?***

No—Under the current contract, rates were fixed for the initial three year term, and a separate rate was fixed for any renewal period. The same structure is called for in the RFP and the attached form contract.

- 7. *What type of bonds have been issued to date and what financing technique was utilized for each issuance?***

To date, MCEC has completed three financings. All three financings were privately placed.

Two financings were Shared Energy Savings Financing Agreements with members of the University of Maryland System, in which MCEC entered into a Shared Energy Savings Agreement with the user and an Energy Performance Contract with an ESCO. Both were tax-exempt financings, with a “taxable tail”.

In the third transaction, MCEC acted as a conduit financier of an equipment lease for a non-profit on a tax-exempt basis.

8. ***Do OAG and MCEC anticipate issuing any bonds in the remaining months of 2016 or in 2017? In addition, to the extent known, please describe the bond issues that OAG and MCEC are planning for the next three years?***

MCEC is currently working on several possible transactions, but it is unlikely that any of these transactions will close by the end of 2016. MCEC does anticipate closing 25% to 50% of the existing \$42 million in QECB allocations over the next 18 months, representing approximately 3 to 6 separate bond issues. MCEC is also working on several tax-exempt bond transactions. However the timing and certainty of these projects moving towards bond closings are unknown at this point. Please note, that both the RFP and attached contract provide that OAG and MCEC do not promise or guarantee any minimum level of hours of work or compensation during the term of the contract.

9. ***If a bond issue closed under a prior bond counsel contract were to become subject to an examination by or request for information from the IRS, the SEC, or state securities regulators, would OAG and MCEC anticipate using the firm that served as bond counsel for such issue to advise it, or would they select a firm that is then currently under contract as bond counsel?***

In most instances, OAG would select the firm which is currently under contract.

10. ***Do OAG and MCEC use rebate analysts or outside accountants to provide rebate service or do OAG and MCEC rely on bond counsel for such services?***

OAG and MCEC have not made a decision as to whether rebate services will be provided by bond counsel, rebate analysts, or outside accountants. The RFP provides that MCEC may request that bond counsel provide rebate services.

11. ***Do OAG and MCEC have a financial advisor under contract?***

No